

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

NATIONAL PRODUCTS INC.,

Plaintiff,

v.

INNOVATIVE INTELLIGENT
PRODUCTS, LLC D/B/A/ GPS
LOCKBOX

Defendant.

CASE NO. 2:20-cv-00428-RAJ

ORDER

I. INTRODUCTION

This matter comes before the Court on Defendant's Motion for Protective Order with Prosecution Bar Provisions. Dkt. # 27. Plaintiff opposes the motion. Dkt. # 28. For the reasons below, the Court **DENIES** the motion.

II. BACKGROUND

Plaintiff National Products Inc. ("NPI" or "Plaintiff") filed suit against Defendant Innovative Intelligent Products, LLC d/b/a/ GPS Lockbox ("GPS Lockbox" or "Defendant"), alleging four patent infringement claims involving electronic device cases and docking cradles. Dkt. # 43 at 2. After engaging in a meet and confer, the parties

1 agreed to a protective order based on the Model Stipulated Protective Order form for this
2 district. Dkt. # 27 at 4. However, the parties were unable to agree on whether to include
3 prosecution bar provisions that would preclude Plaintiff's attorneys who review
4 "attorney's eyes only" information from using such information in patent prosecution for
5 Plaintiff. *Id.* at 4-5. The dispute surrounds the following provisions:

6 4.5 Disclosure of "ATTORNEYS' EYES ONLY – PROSECUTION BAR"
7 Information or Items.

8 Attorneys Eyes' Only – prosecution bar documents and information is limited to
9 (a) technical information concerning GPS Lockbox products currently being
10 developed by GPS Lockbox but neither the product nor its technical details have
11 been released or are otherwise publicly available, and (b) any information in the
12 nature of trade secrets pertaining to any products of GPS Lockbox (regardless of
13 whether previously released or not released to the public) that was obtained
14 through production by the designating party and that is not readily ascertainable by
15 inspection of publicly-available GPS products.

16 ...

17 7. PROSECUTION BAR

18 Absent written consent from the producing party, any individual who receives
19 access to "Attorneys' Eyes Only – prosecution bar" information shall not be
20 involved in the prosecution of patents or patent applications relating to the subject
21 matter of this action, including without limitation the patents asserted in this action
22 and any patent or application claiming priority to or otherwise related to the
23 patents asserted in this action, before any foreign or domestic agency, including
24 the United States Patent and Trademark Office ("the Patent Office"). For purposes
25 of this paragraph, "prosecution" includes directly or indirectly drafting or,
26 amending, advising, or otherwise affecting the scope or maintenance of patent
27 claims, and includes, for example, original prosecution, reissue and reexamination
28 proceedings. To avoid any doubt, "prosecution" as used in this paragraph does not
29 include representing a party challenging a patent before a domestic or foreign
30 agency that does not involve amendment of the claims at issue (including, but not
31 limited to, a reissue protest, *ex parte* reexamination or an *inter partes* review).

32 This prosecution bar shall begin when access to "Attorneys' Eyes Only –
33 prosecution bar" information is first received by the affected individual and shall
34 end at the earlier of two (2) years after final termination of this action or when the
35 GPS Lockbox products or technical details about the GPS Lockbox product
36 become publicly available.

37 *Id.* at 5.

1 Defendant argues that such language is necessary because Plaintiff's pending
2 discovery requests seek information that "constitutes confidential or trade secret
3 information . . . including still-confidential GPS Lockbox products." *Id.* at 7. Defendant
4 contends that "the potential injury to GPS Lockbox that could result from the disclosure
5 of its confidential or trade secret product-related technical information greatly outweighs
6 the minimal inconvenience to NPI." Dkt. # 27 at 11. Plaintiff disagrees, arguing, *inter*
7 *alia*, that a prosecution bar is unwarranted under the circumstances and would unfairly
8 burden Plaintiff. Dkt. # 28 at 4-5.

9 III. DISCUSSION

10 Under Federal Rule of Civil Procedure 26(c), the Court may, for good cause and
11 with a showing that the parties have conferred in good faith, issue a protective order.
12 Fed. R. Civ. P. 26(c)(1). To establish good cause for a protective order Rule 26(c), "[t]he
13 courts have insisted on a particular and specific demonstration of fact, as distinguished
14 from stereotyped and conclusory statements." *Gulf Oil Co. v. Bernard*, 452 U.S. 89, 102,
15 (1981). The "determination of whether a protective order should include a patent
16 prosecution bar is a matter governed by Federal Circuit law." *In re Deutsche Bank Tr.*
17 *Co. Americas*, 605 F.3d 1373, 1378 (Fed. Cir. 2010). "The scope of protective orders
18 seeking to limit access to attorneys to confidential information is governed by the
19 principles" articulated in *U.S. Steel Corp. v. United States*, 730 F.2d 1465 (Fed.Cir.1984)
20 and later in *Deutsche Bank. Avocent Redmond Corp. v. Rose Elecs., Inc.*, 242 F.R.D.
21 574, 577 (W.D. Wash. 2007). Defendant, as the party seeking a prosecution bar, carries
22 the burden of showing good cause for issuing a protective order with a prosecution bar.
23 605 F.3d at 1378.

24 Protective orders usually include provisions indicating that specific confidential
25 information may be used only for purposes of current litigation. *Id.* Under certain
26 circumstances, however, courts have recognized that "even the most rigorous efforts of
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1 the recipient of such information to preserve confidentiality in compliance with the
2 provisions of such a protective order may not prevent inadvertent compromise.” *Id.* The
3 Federal Circuit in *Deutsche Bank* stated that “[w]hether an unacceptable opportunity for
4 inadvertent disclosure exists . . . must be determined . . . by the facts on a counsel-by-
5 counsel basis.” *Id.* (internal quotations and citation omitted). Such a determination, the
6 court held, is based “on the extent to which counsel is involved in competitive
7 decisionmaking with its client.” *Id.*

8 Here, Plaintiff argues that a prosecution bar is unwarranted for several reasons: (1)
9 the Court’s Model Protective Order already provides adequate protection of confidential
10 information; (2) Defendant has not identified any particular information that presents a
11 significant risk of inadvertent disclosure; (3) Plaintiff’s counsel are not competitive
12 decisionmakers for Plaintiff; and (4) a prosecution bar unfairly burdens Plaintiff. Dkt.
13 # 28 at 4-5. With respect to the first reason, Plaintiff cites the provision on access to and
14 use of confidential material in the district court’s Model Protective Order, which states
15 that “[a] receiving party may use Confidential material and Attorneys’ Eyes Only
16 material that is disclosed or produced . . . in connection with this case only for
17 prosecuting, defending, or attempting to settle this litigation.” W.D. Wash. Model
18 Protective Order, 4.1; Dkt. No. 27-1, § 4.1. Based on this provision, Plaintiff argues,
19 Plaintiff’s counsel is already barred from using any confidential information for any
20 purposes other than this litigation. Dkt. # 28 at 10. The Court agrees.

21 In determining whether a prosecution bar is proper, the Federal Circuit has noted
22 that protective order provisions “specifying that designated confidential information may
23 be used only for purposes of the current litigation” are “generally accepted as an effective
24 way of protecting sensitive information while granting trial counsel limited access to it
25 for purposes of the litigation.” 605 F.3d at 1378. A prosecution bar may be imposed
26 under specific circumstances under which “inadvertent compromise” cannot be prevented
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1 despite “the most rigorous efforts of the recipient of such information to preserve
2 confidentiality in compliance with the provisions of such a protective order.” *Id.* The
3 Court does not find such circumstances exist here.

4 In fact, Plaintiff has separate representation for patent prosecution and for this
5 litigation. *Id.* at 8. The law firm of Fenwick & West LLP represents Plaintiff in this
6 litigation and does not prosecute patents for Plaintiff nor represent Plaintiff in
7 reexamination, reissue, or original prosecution proceedings as the United States Patent
8 and Trademark Office (“USPTO”). *Id.* at 7. Although Fenwick & West LLP attorneys
9 have represented Plaintiff in two *inter partes* review proceedings at the UPTO, the
10 proceedings involved an unrelated patent. *Id.* at 8. The law firm of Lowe Graham Jones
11 PLLC represents plaintiff in patent prosecution matters and does not represent Plaintiff in
12 this litigation. *Id.* at 8. This separate representation diminishes the risk of inadvertent
13 disclosure. *See* 605 F.3d at 1379 (nothing that “[t]he concern over inadvertent disclosure
14 manifests itself in patent infringement cases when trial counsel also represent the same
15 client in prosecuting patent applications before the PTO”).

16 Furthermore, Defendant provides no persuasive evidence that Plaintiff’s patent
17 litigators are competitive decisionmakers for Plaintiff. The Federal Circuit initially
18 defined competitive decisionmaking accordingly:

19 [S]hortand for a counsel’s activities, association, and relationship with a client
20 that are such as to involve counsel’s advice and participation in any or all of the
21 client’s decisions (pricing, product design, etc.) made in light of similar or
22 corresponding information about a competitor.

23 *U.S. Steel Corp. v. United States*, 730 F.2d 1465, 1468 (Fed. Cir. 1984). Subsequent
24 opinions have since acknowledged a broader list of activities that might implicate
25 competitive decisionmaking. *Id.* Such activities include the following:

26 [O]btaining disclosure materials for new inventions and inventions under
27 development, investigating prior art relating to those inventions, making strategic

1 decisions on the type and scope of patent protection that might be available or
2 worth pursuing for such inventions, writing, reviewing, or approving new
3 applications or continuations-in-part of applications to cover those inventions, or
strategically amending or surrendering claim scope during prosecution.

4 605 F.3d at 1380.

5 Defendant's argument that Plaintiff's lead litigation attorney, Mr. Tellekson, is a
6 competitive decisionmaker for Plaintiff because he "is occasionally involved in high-
7 level legal discussions that sometimes touch on patent prosecution" and has represented
8 Plaintiff in two previous and unrelated *inter partes* review proceedings is unconvincing.
9 Dkt. # 29 at 7 (citing Dkt. # 28 at 2). Defendant does not provide any specific facts
10 demonstrating that Mr. Tellekson or any other attorney representing Plaintiff in this
11 litigation participate in Plaintiff's pricing or product decision or are involved in other
12 activities that render them competitive decisionmakers. *See U.S. Steel Corp.*, 730 F.2d at
13 1468 (holding that "the factual circumstances surrounding each individual counsel's
14 activities, association, and relationship with a party . . . must govern any concern for
15 inadvertent or accidental disclosure"). Indeed, high level legal discussions and unrelated
16 *inter partes* review proceedings do not constitute competitive decisionmaking, as defined
17 in *Deutsche Bank*, nor present a threat that confidential information will be misused in
18 the absence of a prosecution bar. *See Avocent Redmond Corp. v. Rose Elecs., Inc.*, 242
19 F.R.D. 574, 579 (W.D. Wash. 2007) (holding that the court "is unwilling to preclude
20 lawyers from litigating here or in front of the patent office on a vague and generalized
21 threat of future inadvertent misuse of discovered materials").

22 Finding that the protective order agreed upon by both parties provides sufficient
23 protection of confidential information at issue and in the absence of evidence that
24 Plaintiff's patent litigators are competitive decisionmakers, the Court denies Defendant's
25 request that the Court enter a prosecution bar provision in the protective order. The Court
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1 finds that Defendant has failed to establish good cause for a prosecution bar provision
2 under Rule 26(c).

3 **IV. CONCLUSION**

4 For the reasons above, the Court **DENIES** Defendant's Motion for Protective
5 Order with Prosecution Bar Provisions. Dkt. # 27.

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7 Dated this 29th day of June, 2021.

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11 The Honorable Richard A. Jones
12 United States District Judge
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